

# E-learning firm targets zoos, museums for growth

## CypherWorx in Fairport expects tenfold growth with recurring revenue

By NATE DOUGHERTY

CypherWorx Inc. sees a world of potential in zoos and museums.

The Fairport-based e-learning company is seeking to grow through its training programs offered to professionals, and its executives predict nearly tenfold growth within the next five years.

The company works in what Paul Cypher, president and CEO, described as a previously unfilled niche, offering training and credential programs to the non-profit sector, specifically zoos and museums. It also works with YMCAs and is expanding to include the providers of nursing care and after-school programs.

"What's so interesting about it is that it's a recurring revenue model," Cypher said. "A lot of companies are doing onetime sales, but this gives us the chance to form longer relationships as we offer different programs."

The potential for growth is large, Cypher said. He expects sales this year to be roughly \$2.7 million, growing within the next four to five years to \$20 million to \$30 million a year.

Cypher expects the company's workforce to remain roughly where it is now, at 22.

Many companies work in this sector, offering learning programs that can be put to immediate use, but CypherWorx has a broader market because of its software's ease of use, he said.

"We've found a lot of great effectiveness, especially in the zoo world with animal training professionals, by creating a model that focuses on active professionals who aren't as comfortable using classroom or online training," Cypher said.

After viewing the landscape of available learning management systems, executives at CypherWorx found nothing well-suited to professionals who were unfamiliar with such systems. So the company created its own.

"We couldn't find one as simple and straightforward as we needed, and in early testing we found a lot of professionals were uncomfortable with the learning management systems we used," Cypher said. "So we created our own, one that uses simple buttons like 'Take Course' and 'Get Certificate' that make it much less intimidating to people."

The programs are highly specific and also appropriate for use by larger organizations whose employees may be widely scattered, said Debbie DiBacco, director of client services at CypherWorx.

"We're developing a catalogue of courses, so one specific one could be on genetic diseases," she said. "What we've done is taken what used to be done in a classroom and moved it all online. We have studies that show the approach we use helps people retain the information longer."

"This is also great for zoos and aquariums, where they have people scattered all over the place. It's often impossible to be able to pull all of them off the job and into a classroom at the same time."

Clients see the value in the programing as well.

"The platform and training materials have been widely adopted by institutions in the industry for their respective training needs," said Jon Prange, director of the San Diego Zoo Global Academy. "The combination of the CypherWorx platform



Photo courtesy of CypherWorx  
Paul Cypher, president and CEO of CypherWorx, expects sales this year to be roughly \$2.7 million.

and their instructional design team working with the subject matter expertise of San Diego Zoo Global and our industry partners creates a compelling value proposition."

The company began working intensively in the zoo and aquarium market at the end of 2012. Cypher said that in a three-month period the company made a little more than \$200,000 in revenue in this sector.

The work improved in 2013, when Cypher said the company had a little more than \$900,000 in sales, and 2014 looks to be even better as CypherWorx expands its model to new settings.

"This year we're launching campaigns with the nursing home market, working closely with the University of Rochester School of Nursing," he said. "We're also focusing on out-of-school environments, also working with charter and private schools."

Market potential points toward more growth, Cypher said. He noted that the museum market is roughly 30 times larger than the zoo market, with perhaps 240 accredited zoos and aquariums and more than 6,000 accredited museums.

The after-school market has much room for growth as well, Cypher said. About 2 million people work in that area, and a large number need specialized training and certificates, he noted.

CypherWorx can grow even outside the niches it currently occupies, Cypher said.

"The way we're focusing is adding a few more sectors each year," he said. "We have identified over 100 potential sectors that can give us substantial revenue, so we're really focusing on these to maximize revenue potential and the reach we have."

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